



PRIMEAST INVESTMENTS LIMITED

Twentieth Annual Report

2002 - 2003

//CERTIFIED COPY//
for PRIMEAST INVESTMENTS LIMITED


Company Secretary

DEVATHA PLAZA, 131, RESIDENCY ROAD,
BANGALORE - 560 025.

Primeast Investments Limited**FORM OF PROXY**

I/we _____ of _____
 being a Member/Members of Primeast Investments Limited hereby appoint _____
 of _____ or failing him _____ of _____ as
 my / our proxy to vote for me / us on my / our behalf at the Twentieth Annual General Meeting of
 the Company to be held on Monday, 29th September, 2003 and at any adjournment thereof.
 Signed at _____ this _____ day of _____ 2003

Signature (across the Stamp)

Name _____

Regd. Folio No. _____

Affix Rs. 1/-
 Revenue
 Stamp

NOTES

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself.
2. A Proxy need not be a member.
3. The Incumbent appointing a Proxy and the power of Attorney or other authority (if any) under which it is signed or a notarially certified copy of the Power of Attorney or authority shall be deposited at the Registered Office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting.

**THIS ATTENDANCE SLIP DULY FILLED IN AND TO BE HANDED OVER
 AT THE ENTRANCE OF THE MEETING HALL**

PRIMEAST INVESTMENTS LIMITED

Name of the attending Member

(In Block Letters) _____

Member's Folio Number _____

Name of the Proxy (in Block letters)

if the proxy attends instead of the Member _____

Number of shares held _____ Equity Shares.

I hereby record my presence at the Twentieth Annual General Meeting of the company held at
 Daly Memorial Hall, The Mythic Society (Opp. Reserve Bank of India), Nrupathunga Road,
 Bangalore-560 001 at 10.00 a.m. on 29th September, 2003.

(Proxy's Signature)

In case of Proxy attends meeting

(Member's Signature)

In case member attends meeting

(To be signed at the time of handing over this slip at the meeting)

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Primeast Investments Limited

Net Increase in Cash and Cash Equivalents	(290,273)
Cash and Cash Equivalents as at 01.04.2002 (Opening Balance)	312,530
Cash and Cash Equivalents as at 31.03.2003 (Closing Balance)	22,257

T. P. ISSAR
Chairman

R. C. BHAVUK
Managing Director

K. J. BINOJ
Company Secretary

AUDITOR'S CERTIFICATE

The above Cash flow Statement has been compiled from and is based on the audited accounts of PRIMEAST INVESTMENTS LIMITED for the year ended March 31, 2003. According to the information and explanations given the aforesaid cash flow statement has been prepared pursuant to clause 32 of the listing agreement and reallocation required for the purpose are as made by the Company

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For BRAHMAYYA & CO.,
Chartered Accountants.

(G. Srinivas)
Partner

Place: Bangalore
Date : 18.08.2003

PANDEY INVESTMENTS LIMITED

Board of Directors

Shri. T. P. ISSAR Chairman
Shri. R. C. BHAVUK Managing Director
Shri. GURMUKH SINGH THAKRAL
Shri. KARAN SINGH THAKRAL
Shri. B. P. CHATURVEDI
Shri. KANWALJEET SINGH BAWA

Bankers

INDIAN OVERSEAS BANK

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Auditors

M/s. BRAHMAYYA & CO.
Chartered Accountants, Bangalore.

Company Secretary

K. J. BINOJ

Registered Office

DEVATHA PLAZA
131, Residency Road,
BANGALORE - 560 025.

Pr...east Investments Limited**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE****I. REGISTRATION DETAILS**

Registration No. :

5	1	4	0
---	---	---	---

 State Code :

0	8
---	---

Balance Sheet Date :

3	1
---	---

0	3
---	---

2	0	0	3
---	---	---	---

Date Month Year

II. CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousand) :

Public Issue

N	I	L
---	---	---

 Rights Issue

N	I	L
---	---	---

Bonus Issue

N	I	L
---	---	---

 Preferential Allotment (Including Advance)

N	I	L		
---	---	---	--	--

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Thousand) :

Total Liabilities

1	2	6	4	1	6
---	---	---	---	---	---

 Total Assets

1	2	6	4	1	6
---	---	---	---	---	---

SOURCES OF FUNDS

Paid-up Capital

1	2	6	4	1	6
---	---	---	---	---	---

 Reserves & Surplus

			N	I	L
--	--	--	---	---	---

Secured Loans

			N	I	L
--	--	--	---	---	---

 Unsecured Loans

			N	I	L
--	--	--	---	---	---

APPLICATION OF FUNDS

Net Fixed Assets

			7	9	0
--	--	--	---	---	---

 Investments

				8	4
--	--	--	--	---	---

Net Current Assets

	9	3	0	3	1
--	---	---	---	---	---

 Misc. Expenditure

			2	4	7
--	--	--	---	---	---

Accumulated Losses

	3	2	2	6	4
--	---	---	---	---	---

IV. PERFORMANCE OF COMPANY

Turnover

			1	0	7
--	--	--	---	---	---

 Total Expenditure

		2	3	6	5
--	--	---	---	---	---

Profit / Loss before Tax

	-	2	2	5	9
--	---	---	---	---	---

 Profit / Loss After Tax

	-	2	2	5	9
--	---	---	---	---	---

Earnings per Share in Rs.

			N	I	L
--	--	--	---	---	---

 Dividend Rate %

			0	0	0
--	--	--	---	---	---

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF COMPANY (as per monetary terms)

Item Code No. (ITC Code)

			N	I	L
--	--	--	---	---	---

Product Description

INVESTMENT

T. P. ISSAR
Chairman

R. C. BHAVUK
Managing Director

K. J. BINOJ
Company Secretary

Place : Bangalore
Date : 18.08.2003

Primeast Investments Limited

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Directors be and are hereby authorised to take all steps as they may think fit and proper and to do all acts, deeds, matter or things as the Directors in their absolute discretion, consider necessary, expedient or proper".

b) Special Resolution for making consequential amendments to Articles of Association ;

"RESOLVED THAT the Articles of Association of the Company be amended by deleting the existing Article 5 and substituting the following therefore :

The Capital of the Company shall be Rs. 13,00,00,000 (Rupees Thirteen Crores only) divided into 1,30,00,000 equity Shares of Rs. 10/- each subject to the Power of increase, reduction and modification hereinafter contained ;

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Directors be and are hereby authorised to take all steps as they may think fit and proper and to do all acts, deeds, matter or things as the Directors in their absolute discretion, consider necessary, expedient or proper".

6. To consider and if thought fit, to pass with or without modification the following resolution as a special resolution.

"RESOLVED THAT pursuant to the provisions of sub section (1A) of section 81 and other applicable provisions, if any, of the Companies Act, 1956, the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchange/s where the shares of the Company are listed and subject to the approval of Securities and Exchange Board of India (SEBI), Reserve Bank of India (RBI), Foreign Investment Promotion Board (FIPB) and all other concerned authorities and departments, if any, to the extent necessary and on such terms and conditions as may be prescribed or imposed by all or any of the concerned authorities in granting any such approvals, permissions and sanctions and which may be agreed to by the Directors of the Company (hereinafter referred to as the "Directors" which term shall be deemed to include Board of Directors, any committee of Directors or any Director authorised for the purpose by the Board) the approval of the Company be and is hereby accorded to offer, issue and allot to entities as per list enclosed, upto 6,89,566 equity shares of Rs.10 each amounting to Rs. 68,95,660 (hereinafter referred to as "the said shares") out of the unissued equity share capital of the Company for cash at par in such manner at such time and in one or more tranches as the Board may think fit and on such terms and conditions, including the number of equity shares to be issued, manner of calls and to make such inter-se changes regarding Preferential Allotment to the allottees provided that the overall amount of allotment does not exceed Rs.68,95,660/- (Rupees Sixty Eight lakhs Ninety Five thousand Six hundred and sixty only) as the Board may, in its absolute discretion, think fit provided :

- i) That the said shares, allotted in terms of this Resolution, shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari passu in all respects including voting rights with the existing equity shares of the Company save and except that the said shares shall, with regard to Dividend, if any, declared for the financial year in which the said shares are allotted and the subsequent years, be entitled to Dividends in proportion to the amount of capital paid-up or credited as paid-up thereon.
- ii) That if any shares are allotted to Non-resident Indians / Overseas Corporate Bodies will be on fully repatriable basis.

Priveast Investments Limited
**SCHEDULES TO PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2003**

PARTICULARS	Year Ended 31-03-2003 Rs.	Year Ended 31-03-2002 Rs.
Assets Written off	9,548	66,889
Loss on Sale of Assets	0	1,470
Advertisement Expenses	18,822	23,244
Listing fee	75,000	32,500
Books & Periodicals	879	998
AGM Expenses	49,526	71,182
Miscellaneous Expenses	40,016	246,812
Payment to Auditors :		
for Audit	27,000	26,250
for Certification	3,150	9,125
Demat Charges	19,168	3,332
Provision for Debtors	4,325	19,424
Bank Charges	2,907	17,640
	907,514	1,447,195

SCHEDULE : 11 :**A. ACCOUNTING POLICIES :**

1. The accounts have been maintained on Accrual Basis of Accounting.
2. Cost of Fixed Assets includes freight and installation expenses.
3. The Fixed Assets leased are to parties from whom rentals are due.
4. Depreciation on fixed assets are calculated at rates specified in Schedule XIV of the Companies Act, 1956, on straight line method.
5. Investments are long term in nature and are valued at cost. Any diminution in the value of investments have been adjusted.
6. The stock on hire, under hire purchase agreement are shown at agreement value, less amount received.
7. The company provides for gratuity, a defined benefit plan covering all employees, who has completed more than 5 years. The company covers employees for this benefit under the Group Gratuity Scheme, which is currently with life Insurance Corporation of India. Provision for other retirement benefits has been provided.
8. The Company provides for Leave encashment, covering all employees for which necessary provision has been provided.

B. NOTES ON ACCOUNTS :

1. **Taxes on Income :** Deferred Tax Asset has not been recognized in the books of account in view of the continuous losses vide para 17 of AS-22.

*Primeast Investments Limited***NOTES**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. THE PROXY FORM IS ANNEXED AT THE END OF THIS REPORT PROXY FORMS DULY COMPLETED IN ALL RESPECTS SHALL BE LODGED WITH THE COMPANY ATLEAST 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.**
2. Members are requested to address all correspondence regarding share transfers, certificate endorsement, change of address and general queries, to the Registered office.
3. The Proxies and members are requested to bring their attendance slip annexed at the end of this report to the meeting and sign at the entrance of the meeting venue.
4. **As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting.**
5. **The Explanatory Statement as required by Section 173 of the Companies Act, 1956 is annexed hereto and the papers, documents referred to therein are open for inspection at the Registered Office of the Company between 9:30 am and 5:30 pm on any working day prior to the date of the meeting.**

**EXPLANATORY STATEMENT PURSUANT TO
SECTION 173(2) OF THE COMPANIES ACT, 1956**

ITEM NO. 5

- (i) The Authorised Capital of the Company at present is Rs.12.50 crores divided into 1,25,00,000 equity shares of Rs. 10/- each. The Company is proposing to make a preferential allotment of shares (as set out in resolution at item 6 of this notice) to garner further funds into the business of software development and internet related activities. It is, therefore, considered advisable to increase the Authorised Capital of the Company from Rs. 12,50,00,000 to Rs.13,00,00,000 by creation of 5,00,000 equity shares of Rs.10/- each. Under Section 94 of the Companies Act, 1956 and Articles of Association of the Company, the proposed increase of Authorised Capital and the consequent amendment to the Memorandum and Articles of Association of the Company require the approval of the members in General meeting and hence the resolutions as set out in(a) & (b) above are proposed.

Prinwest Investments Limited**SCHEDULES TO BALANCE SHEET
AS AT 31ST MARCH 2003**

PARTICULARS	As at 31-03-2003 Rs.	As at 31-03-2002 Rs.
SCHEDULE : 5:		
<u>LOANS AND ADVANCES :</u>		
Trade and other Advance	250,701	246,951
Advance Tax / TDS	17,122	51,803
Advance for Shares in Pacific Internet India Pvt. Ltd.	97,691,493	88,625,833
Deposits	398,270	400,270
	98,357,586	89,324,857
SCHEDULE : 6:		
<u>OTHER CURRENT ASSETS :</u>		
Pre-paid Expenses	20,791	31,212
Interest Accrued on Investments	24,423	21,713
Amount Receivables	29,615	29,615
	74,829	82,540
Receivable - Stock on Hire		
- Considered Good	0	0
- Considered Doubtful	7379489	7378164
	7379489	7378164
Less : Provision	7379489	7378164
	0	0
	74,829	82,540
SCHEDULE : 7:		
<u>CURRENT LIABILITIES & PROVISIONS :</u>		
A. Current Liabilities :		
Accrued Charges	617,833	325,698
Other Creditors	4,694,475	3,355,220
Expenses Payable	111,741	0
	5424049	3,680,918
TOTAL	5424049	3,680,918